APPENDIX

APPENDIX 1

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

IN RE:

BRUCE W. BUBLICK, A WITNESS BEFORE THE JULY 1972 GRAND JURY

No. 72 GJ 5136

JUDGMENT AND COMMITMENT

On motion of James R. Thompson, United States Attorney for the Northern District of Illinois for an order by the Court to enforce its order of August 29, 1972, heretofore entered in the above entitled matter, the respondent, Bruce W. Bublick, appearing before the Court in person and with counsel, and it having been proven that respondent has refused and would continue to refuse to furnish to the July 1972 Grand Jury documents and records called for in a subpoena duces tecum, to wit, "corporate minute books, bank statements, cancelled checks, deposit slips and check ledgers for the period from April 30, 1970 to and including the present" and all records relating to Bruce

W. Bublick, Ltd., 111 E. Wacker Drive, Chicago, Illinois, an Illinois corporation, and the Court having heard argument of counsel:

It Is Adjudged that respondent, Bruce W. Bublick, is in direct and continuing contempt of this Court for his failure to obey the order of this Court, dated August 31, 1972, heretofore entered herein.

It Is Therefore Ordered that respondent Bruce W. Bublick, be and hereby is committed to the custody of the United States Marshal for the Northern District of Illinois until such time as said respondent shall obey said order, or until such time as the July 1972 Grand Jury shall be discharged from further service, whichever is sooner.

ENTER:

JUDGE
United States District Court of the Northern District of Illinois

Dated at Chicago, Illinois

this ..... day of ..... 1972.
MDS:jh

APPENDIX 2

UNITED STATES COURT OF APPEALS
FOR THE SEVENTH CIRCUIT
Chicago, Illinois 60604

September 8, 1972

Before
Hon. Wilbur F. Pell, Jr., *Circuit Judge*
Hon. John Paul Stevens, *Circuit Judge*
Hon. Robert A. Sprecher, *Circuit Judge*

In Re:

BRUCE W. BUBLICK, A Witness Before the July, 1972 Grand Jury,

Appellant

No. 72-1739

Appeal from the United States District Court for the Northern District of Illinois, Eastern Division.
(GJ 5136)

This is an appeal from the order of the district court entered on August 31, 1972, finding the appellant, Bruce W. Bublick, in contempt of court for refusing the [sic] produce certain records and documents before the July, 1972 Grand Jury. The appellant has filed an emergency motion for bond pending appeal, with a memorandum in support, the Government has filed an answer to the motion, and the

appellant has filed a reply to the answer. We have reviewed the motion papers and the record on appeal and have decided to dispose summarily of the appeal without briefs and oral argument, pursuant to Rule 2 of the Federal Rules of Appellate Procedure.[1]

Appellant is an attorney licensed to practice law in the State of Illinois and is the sole incorporator, director, and shareholder of Bruce W. Bublick, Ltd., a professional corporation organized under the Illinois Professional Service Corporation Act. (Ill. Rev. Stat. ch. 32 §415 et seq.) The Grand Jury subpoena duces tecum directed "Bruce W. Bublick, Ltd., or any authorized officer or agent" to produce "corporate minute books, bank statements, canceled checks, deposit slips and check ledgers for the period from April 30, 1970 to and including the present." The sole issue which is properly before us in this appeal is whether the privilege against self incrimination applies to the records of an individual lawyer practicing as a professional service corporation under the Illinois Professional Service Corporation Act. No question of the attorney-client privilege is involved. We hold that for purposes of determining whether the privilege against self-incrimination attaches to the appellant's refusal to produce documents and records, the professional service corporation is to be treated as any other corporation.

Accordingly, the stay heretofore entered by this Court on August 31, 1972, is vacated and the judgment of the district court is AFFIRMED.

The mandate shall issue forthwith.

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[1] 28 U.S.C. §1826(b) requires this Court to dispose of the appeal as soon as practicable, but no later than thirty (30) days from the filing of the appeal.

APPENDIX 3

PROFESSIONAL SERVICE CORPORATION ACT

AN ACT authorizing the formation of Professional Service Corporations.

P.A. 76-1283, eff. Sept. 15, 1969.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

415—1. § 1. *Short Title).* This Act shall be known and may be cited as "The Professional Service Corporation Act."

415—2. § 2. *Legislative Intent).* It is the legislative intent to provide for the incorporation of an individual or group of individuals to render the same professional service to the public for which such individuals are required by law to be licensed or to obtain other legal authorization, while preserving the established professional aspects of the personal relationship between the professional person and those he serves professionally.

415—3. § 3. *Definitions).* In this Act the terms defined in Sections 3.1 through 3.5 have the meanings ascribed to them in those Sections unless a contrary meaning is clear from the context.

415—3.1 *Ancillary personnel.*] § 3.1. "Ancillary personnel" means such person acting in their customary capacities, employed by those rendering a professional service who:

(1) Are not licensed to engage in the category of professional service for which a professional corporation was formed; and

(2) Work at the direction or under the supervision of those who are so licensed; and

(3) Do not hold themselves out to the public generally as being authorized to engage in the practice of the profession for which the corporation is licensed; and

(4) Are not prohibited by the licensing authority regulating the category of professional service rendered by the corporation from being so employed and includes clerks, secretaries, technicians and other assistants who are not usually and ordinarily considered by custom and practice to be rendering the professional services for which the corporation was formed.

415—3.2 *Regulating authority.*] § 3.2. "Regulating authority" means the State board, department, agency or the Supreme Court of Illinois (in the case of attorneys at law) having jurisdiction to grant a license to render the category of professional service for which a professional corporation has been organized.

415—3.3 *License.*] § 3.3. "License" includes a license, certificate of registration or any other evidence of the satisfaction of the requirements of this State for the practice of a professional service.

415—3.4 *Professional Corporation.*] § 3.4. "Professional Corporation" means a corporation organized under this Act solely for the purpose of rendering one category of professional service and which has as its shareholders, directors, officers, agents and employees (other than ancillary personnel) only individuals who are duly licensed by this State to render that particular category of professional service (except that the secretary of the corporation need not be so licensed).

415–3.5 *Professional Service.*] § 3.5. "Professional Service" means any personal service which requires as a condition precedent to the rendering thereof the obtaining of a license and which prior to the effective date of this Act could not be performed by a corporation by reason of law.

415–4. *Application of Act–Exclusions.*] § 4. "The Business Corporation Act" filed July 13, 1933, as now or hereafter amended, shall be applicable to professional corporations organized under this Act, and they shall enjoy the powers and privileges and be subject to the duties, restrictions, and liabilities of other corportions, except where inconsistent with the letter and purpose of this Act. This Act shall take precedence in the event of any conflict with provisions of The Business Corporation Act or other laws.

This Act shall not apply to any persons within this State who prior to the passage of this Act were rendering personal services by means of a corporation, nor to any corporation organized by them presently in existence or hereafter organized, however such persons may elect to incorporate under the provisions of this Act, or to bring an existing corporation within the provisions of this Act by amending the articles of incorporation in such a manner as to be consistent with all the provisions of this Act and by affirmatively stating in the amended articles of incorporation that the shareholders have elected to bring the corporation within the provisions of this Act.

A professional association organized under the "Act to Authorize Professional Associations", approved August 9, 1961, as amended, may elect by resolution to bring the association under the provisions of this Act by authorizing its members to incorporate under this Act and stating in

the articles of incorporation that the association shall be consolidated or merged with the professional corporation so formed. When the articles of incorporation have been filed with the Secretary of State, the professional corporation shall be deemed to have acquired the property and assets and assumed the liabilities of the association; and the association shall thereafter cease to exist as a separate identity.

Nothing contained in this Act shall alter the right of persons licensed to engage in the rendering of a personal service from so doing in any other business form permitted them by law.

The provisions of this Act shall not be considered as repealing, modifying or restricting the applicable provisions of law regulating the several professions except insofar as such laws are in conflict with the provisions of this Act, however, the provisions of this Act shall take precedence over any law which prohibits a corporation from rendering any type of professional services. Nothing contained in this Act shall prohibit a professional corporation from employing ancillary personnel.

415—5. *Consolidation—Merger.*] § 5. A professional corporation organized under this Act may consolidate or merge only with another domestic professional corporation organized under this Act to render the same specific professional service and a merger or consolidation with any foreign corporation is prohibited. A professional association organized under the "Act to Authorize Professional Associations", approved August 9, 1961, as amended, may merge with a professional corporation formed under this Act by complying with Section 4 of this Act.

415–6. *Organization—Articles of incorporation.*] § 6. One or more individuals each of whom is licensed to perform the same professional service in this State may organize a professional corporation by filing articles of incorporation with the Secretary of State on forms furnished by the Secretary. Such articles of incorporation shall meet the requirements of "The Business Corporation Act" and in addition thereto state the specific profession to be practiced by the professional corporation.

A certificate or facsimile thereof by the appropriate regulating authority that each of the incorporators is duly licensed to practice such profession shall accompany the articles of incorporation.

A professional corporation may be organized under this Act only for the purpose of rendering one specific type of professional service and services ancillary thereto.

415–7. *Services rendered only by licensed officers, employees and agents.*] § 7. No corporation organized and incorporated under this Act may render professional services, except through its officers, employees and agents who are duly licensed or otherwise legally authorized to render such professional services within this State. The term "employee" as used in this Act does not include "ancillary personnel" as that term is used in this Act.

415–8. § 8. *Professional relationship unaffected—Personal and corporate liability).* Nothing contained in this Act shall be interpreted to abolish, repeal, modify, restrict or limit the law now in effect in this State applicable to the

professional relationship and liabilities between the person furnishing the professional services and the person receiving such professional service and to the standards for professional conduct. Any officer, shareholder, agent or employee of a corporation organized under this Act shall remain personally and fully liable and accountable for any negligent or wrongful acts or misconduct committed by him, or by any ancillary personnel or person under his direct supervision and control, while rendering professional services on behalf of the corporation to the person for whom such professional services were being rendered. However, a professional corporation shall have no greater liability for the conduct of its agents than a general business corporation. The corporation shall be liable up to the full value of its property for any negligence or wrongful acts or misconduct committed by any of its officers, shareholders, agents or employees while they are engaged on behalf of the corporation in the rendering of professional services.

The relationship of an individual to a professional corporation organized under this Act, with which such individual is associated, whether as a shareholder, director, officer or employee, shall in no way modify or diminish the jurisdiction over him of the governmental authority or State agency which licensed, certified or registered him for a particular profession.

All rights and obligations pertaining to communications made to, or information received by, any qualified person, or his advice thereon, shall be extended to the professional corporation of which he is a shareholder or employee, and to the corporation's officers, employees and ancillary personnel.

415–9. *Corporate name—Fictitious names—Filing under assumed name law.*] § 9. A professional corporation shall adopt a name consisting of the full or last name of one or more of its shareholders; except that if not otherwise prohibited by law, rules of a regulating authority or the canons of ethics of the profession concerned, a professional corporation may adopt a fictitious name. If the corporation does adopt a fictitious name or continues to use the name of a deceased shareholder, the name of a member of a predecessor organization, it shall file with the county clerk of the county where its principal place of business is located, under "An Act in relation to the use of an assumed name in the conduct or transaction of business in this State," approved July 17, 1941, as now or hereafter amended. It shall be permissable for a professional corporation to continue to use the name of a deceased shareholder for a period of one year after his death without recording the name of the corporation with the county clerk as hereinabove provided. A professional corporation may continue to use the name of a shareholder who voluntarily withdraws from the corporation if the withdrawing shareholder files with the regulating authority his written permission for the continued use of his name by the professional corporation. This permission shall remain in effect until written revocation has been received by the regulating authority from the former shareholder.

The corporate name shall end with the word "chartered" or "Limited" or the abbreviation "Ltd.", or with the words "Professional Corporation" or the abbreviation "Prof. Corp." or the initials "P.C.".

415–10. *Board of directors—Number of directors—Officers.*] § 10. A professional corporation organized under this Act shall be governed by a board of directors elected

by the shareholders and represented by officers elected by the board of directors, and, if desired, by an executive committee elected by the board of directors. If such corporation has only one shareholder it need have only one director who shall be such shareholder and shall also serve as president and secretary of the corporation. If such corporation has only 2 shareholders it need have only 2 directors who shall be such shareholders and they shall fill the offices of president, vice-president, secretary and treasurer of the corporation between them.

415—11. *Shareholders — Qualifications — Voting trusts prohibited — Purchase or redemption of shares upon death or disqualification of shareholder.*] § 11. No corporation organized under this Act may issue any of its capital stock to anyone other than an individual who is duly licensed or otherwise legally authorized to render the same specific professional services as those for which the corporation was organized. No shareholder shall enter into a voting trust agreement or any other type of agreement vesting another person with the authority to exercise the voting power of any of his stock.

No individual shall hold stock or in any way have an interest in more than one corporation organized under this Act.

The articles of incorporation shall provide for the purchase or redemption of the shares of any shareholder upon his death or disqualification, or the same may be provided for in the by-laws of the corporation or in a separate agreement of the interested parties.

If the articles of incorportion, by-laws or separate agreement fail to state a price or method of determining a fixed price at which the corporation or its shareholders may

purchase the shares of a deceased shareholder, or a shareholder no longer qualified to own shares in the corporation, then the price for such shares shall be the book value as of the end of the month immediately preceding the death or disqualification of the shareholder. Book value shall be determined from the books and records of the corporation in accordance with the accounting methods used by the corporation.

415–12. § 12. *Certificate of Registration—Fee—Renewal—Posting—Assignment).* No corporation shall open, operate or maintain an establishment for any of the purposes for which a corporation may be organized under this Act without a certificate of registration from the regulating authority authorized by law to license individuals to engage in the profession concerned. Application for such registration shall be made in writing, and shall contain the name and address of the corporation, and such other information as may be required by the regulating authority. Upon receipt of such application, the regulating authority, or some administrative agency of government designated by it, shall make an investigation of the corporation. If the regulating authority is the Supreme Court it may designate the bar or legal association which investigates and prefers charges against lawyers to it for disciplining. If such authority finds that the incorporators, officers, directors and shareholders are each licensed pursuant to the laws of Illinois to engage in the particular profession involved (except that the secretary of the corportion need not be so licensed), and if no disciplinary action is pending before it against any of them, and if it appears that the corporation will be conducted in compliance with the law and the regulations and rules of the regulating authority, such authori-

ty, shall issue, upon payment of a registration fee of $25, a certificate of registration which shall remain effective until January first following the date of such registration.

Upon written application of the holder, accompanied by a fee of $10, the regulating authority which originally issued the certificate of registration shall renew the certificate if it finds that the corporation has complied with its regulations and the provisions of this Act.

The certificate of registration shall be conspicuously posted upon the premises to which it is applicable, and the professional corporation shall have only those offices which are designated by street address in the articles of incorporation, or as changed by amendment of such articles. No certificate of registration shall be assignable.

415—13. *Suspension or revocation of certificate of registration—Grounds—Notice—Judicial review.*] § 13. The regulating authority which issued the certificate of registration may suspend or revoke it for any of the following reasons:

(a) The revocation or suspension of the license to practice the profession of any officer, director, shareholder or employee not promptly removed or discharged by the corporation; (b) unethical professional conduct on the part of any officer, director, shareholder or employee not promptly removed or dischaged by the corporation; (c) the death of the last remaining shareholder, however, revocation of the certificate of registration by reason of the death of such last remaining shareholder shall not operate to dissolve the corporation but shall operate to convert such corportion into a business corporation only; or (d) upon finding that the holder of a certificate has failed to comply with the provisions of this Act or the regulations prescribed by the regulating authority that issued it.

Before any certificate of registration is suspended or revoked, the holder shall be given written notice of the proposed action and the reasons therefor, and shall provide a public hearing by the regulating authority, with the right to produce testimony and other evidence concerning the charges made. The notice shall also state the place and date of the hearing which shall be at least 10 days after service of said notice.

All orders of regulating authorities denying an application for a certificate of registration or suspending or revoking a certificate of registration shall be subject to judicial review pursuant to the provisions of the "Administrative Review Act", approved May 8, 1945, as now or hereafter amended, and the rules adopted pursuant thereto then in force.

415—14. *Renewal of certificate.*] § 14. At the time of the filing of the written application by the corporation for the renewal of its certificate under Section 12 of this Act, such corporation shall also file with the appropriate regulating authority a certificate giving the name and residence addresses of all shareholders as of the last day of the month preceding such filing, and certifying that all such shareholders are duly licensed to render the same professional services as those for which the corporation was organized. This certificate shall be made on a form prescribed and furnished by the appropriate regulating authority, shall be signed by the president or vice-president and attested by the secretary or assistant secretary of the professional corporation, and acknowledged and sworn to before a notary public by the persons executing the certificate.

415—15. § 15. *Nature of corporate activities — Investment of funds).* A profesional corporation may only engage in the rendering of one category of professional service and may render such profesional service only through shareholders, directors, officers, agents and employees who are themselves duly licensed in that category of professional service. No person who is not licensed in that category of professional service shall have any part in the ownership, management or control of the corporation, nor may any proxy to vote any shares of such corporation be given to a person who is not so licensed.

415—16. § 16. *Construction—Attorneys at law).* The provisions of this Act shall not be construed as limiting the rendering of professional services or the practice of any profession under any other provision of law. However, the provisions of this Act shall be applicable to attorneys at law only to the extent and under such terms and conditions as the Supreme Court of Illinois shall determine to be necessary and appropriate. Articles of incorporation of professional corporations organized to practice law shall contain such provisions as may be appropriate to comply with applicable rules of such court.

415—17. § 17. *Severability clause).* If any provision of this Act or the application thereof to any person or circumstance is invalid, such invalidity shall not affect other provisions or applications of this Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are declared to be severable.

APPENDIX 4

(Supreme Court Rule 721). Professional Service Corporations and Associations for the Practice of Law

(a) Professional service corporations formed under the Professional Service Corporation Act, H.B. 664, approved September 15, 1969, (Ill.Rev.Stat.1969, ch. 32, § 415—1 et seq.) or professional associations organized under the Professional Associations Act (Ill.Rev.Stat.1967, ch. 106½, § 101 et seq.) may engage in the practice of law provided that:

(1) All shareholders, officers and directors of the corporation or members of the association, and others of its employees engaged in the practice of law shall be members of the bar of Illinois.

(2) The corporation or association shall do nothing which, if done by an individual attorney, would violate the standards of professional conduct applicable to attorneys licensed by this court.

(b) This rule does not diminish or change the obligation of each attorney engaged in the practice of law in behalf of the corporation or association to conduct himself in accordance with the standards of professional conduct applicable to attorneys licensed by this court. Any attorney who by act or omission causes the corporation or association to act in a way which violates standards of professional conduct, including any provision of this rule, is personally responsible for such act or omission and is subject to discipline therefor. Any violation of this rule by the corporation or association is a ground for the court to terminate or suspend the right of the corportion or association to practice law or otherwise to discipline it.

(c) No corporation or association shall engage in the practice of law under the Professional Service Corporation Act or the Professional Associations Act, or open or maintain an establishment for that purpose, without a certificate of registration issued by this court.

(d) The articles of incorporation or association shall provide and the shareholders of the corporation or members of the association shall be deemed to agree by virtue of becoming shareholders or members that all shareholders or members shall be jointly and severally liable for the acts, errors and omissions of the shareholders or members and other employees of the corporation or association arising out of the performance of profesional services by the corporation or association while they are shareholders or members.

(e) An application for registration shall be in writing signed by all shareholders of the corporation or members of the association and filed with the clerk of this court with a fee of $25. The application shall contain the following:

1. The name and address of the corporation or association.
2. The statute under which it is formed.
3. The names and residence addresses of the shareholders of the corporation or members of the association.
4. A statement of whether the corporation or association is on a calendar or fiscal year basis and if fiscal, the closing date.
5. A statement that all shareholders or members, directors and officers of the corporation or association are members of the bar of Illinois and that no disciplinary action is pending against any of them.

6. Such other information and documents as the court may from time to time require.

(f) A certificate of registration shall continue in effect until it is suspended or revoked subject, however, to renewal annually within 30 days following the close of each calendar year. The application for renewal shall be signed by all shareholders or members and filed with the clerk of this court with a filing fee of $10. It shall state the name of the corporation or association, the names and residence addresses of the shareholders of the corporation or members of the association and shall certify that all shareholders or members, directors and officers are members of the bar of Illinois. No certificate is assignable.

(g) Nothing in this rule modifies the attorney-client privilege.

(h) Associations which have heretofore organized under the Professional Associations Act have until January 31, 1970, to comply with the provisions of this rule.

(i) This rule shall be effective November 15, 1969.

APPENDIX 5

Subpoena Duces Tecum — Grand Jury

UNITED STATES DISTRICT COURT
Northern District of Illinois

July Session, 1972

THE PRESIDENT OF THE
UNITED STATES OF AMERICA

TO: Bruce W. Bublick Ltd., or any Authorized Officer or Agent
111 E. Wacker Drive
Chicago, Illinois — GREETING:

YOU ARE HEREBY COMMANDED that laying aside all and singular your business and excuses you be and appear before the Grand Jury of the United States District Court for the Northern District of Illinois, in Room 1500, United States Courthouse, in the City of Chicago, in said District, on the 28th day of August, A.D. 1972, at 2:00 o'clock P.M. of said day, and also that you bring with you and produce at the time and place aforesaid . . . corporate minute books, bank statements, cancelled checks, deposit slips and check ledgers for the period from April 30, 1970 to and including the present.

on behalf of the United States, and not depart the Court without leave thereof or of the United States Attorney. And this you shall in nowise omit under the penalty of the law in that case made and provided.

To the Marshal of or any other authorized law enforcement agent of the Northern District of Illinois to execute

NOTE: Your appearance may not be required at the exact time specified on the subpoena. Upon receipt of the subpoena, please contact Assistant United States Attorney, S. J. Kadison, at 312/353-4129, and advise him, or his secretary, of a telephone number at which you may be reached during the day and in the evening.

Dated: August 22, 1972